

Minutes of the December 13, 2006, Energy Commission Business Meeting.

The meeting was called to order at 10:02 a.m. by Chairman Jackalyne Pfannenstiel. The Pledge of Allegiance was led by Chairman Pfannenstiel.

Present:

Jackalyne Pfannenstiel, Chairman

James D. Boyd, Vice Chair

Commissioner Arthur H. Rosenfeld

Commissioner John L. Geesman

Commissioner Jeffrey D. Byron

Chairman Pfannenstiel announced that Item 14 has been removed from the agenda.

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be moved and discussed later in the meeting.)
  - a. ENERGY COMMISSION 2007 BUSINESS MEETING SCHEDULE. Possible approval of the 2007 Energy Commission Business Meeting Schedule. Contact: Harriet Kallemeyn.
  - b. SOLAR TURBINES, INCORPORATED. Possible approval Amendment 3 to Contract 500-01-045 with Solar Turbines, Incorporated, for a one year time extension and a budget revision to modify billing rates. The extension will allow the contractor to determine which ultra-low NOx combustion technology they will use for their Taurus 70 and other gas turbines. There is no change in the total cost of the contract. Contact: John Henry Beyer.
  - c. GAS TECHNOLOGY INSTITUTE. Possible approval of Amendment 3 to Contract 500-02-005 with Gas Technology Institute for a one-year time extension and a budget revision to modify billing rates, clarify the Scope of Work, and update key subcontractors. There is no change in the total cost of the contract. Contact: John Henry Beyer.
  - d. NEW BUILDINGS INSTITUTE, INC. Possible approval of Contract 400-06-011 for \$15,000 to renew the Energy Commission's membership with the New Buildings Institute, Inc. The membership provides staff access to NBI's nationwide data and research results, which relate the development and implementation of California's building standards. (ERPA funding.) Contact: Suzie Chan.

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the Consent Calendar. The vote was unanimous. (5-0)*

2. NEW SOLAR HOMES PARTNERSHIP (NSHP) GUIDEBOOK. Possible adoption of the Renewables Committee's proposed *New Solar Homes Partnership Guidebook*. The *Guidebook* is the Energy Commission's part of the California Solar Initiative. It describes the criteria of the NSHP and provides information and instructions to new residential constructors on how to apply for financial incentives for solar systems. Contact: Sandy Miller. (10 minutes)

*Commissioner Geesman moved and Commissioner Byron seconded approval of the New Solar Homes Partnership Guidebook. The vote was unanimous. (5-0)*

3. EMERGING RENEWABLES PROGRAM GUIDEBOOK. Possible adoption of revisions to the *Emerging Renewables Program Guidebook* to remove the eligibility of solar energy systems as directed by Senate Bill 1, Senate Bill 1250, and Senate Bill 107. Program elements to be removed include: photovoltaic and solar thermal electric technologies; the Pilot Performance-Based Incentive Program; Solar Schools Program; New Housing sections; and the C-46 (solar) license as an eligible contractor state license to meet installation requirements. Contact: Payam Narvand. (10 minutes)

*Commissioner Geesman moved and Commissioner Boyd seconded approval of the Emerging Renewables Program Guidebook. The vote was unanimous. (5-0)*

4. RENEWABLES PROGRAM OVERALL PROGRAM GUIDEBOOK. Possible adoption of proposed changes to the *Overall Program Guidebook* to identify the New Solar Homes Partnership as a program element, identify funding for the Emerging Renewables Program and the New Solar Homes Partnership (Senate Bill 1250), clarify definitions, and make other administrative changes. Contact: Gabriel Herrera. (10 minutes)

*Commissioner Geesman moved and Commissioner Boyd seconded approval of the Renewables Program Overall Program Guidebook. The vote was unanimous. (5-0)*

5. AMERIT CONSULTING, INC. Possible approval of Contract 400-06-012 for \$74,500 with Amerit Consulting, Inc. for temporary support staff to help process renewable energy rebate applications during high volume periods. Staff anticipates a large spike in program participation in December 2006 due to the transition to the California Solar Initiative and the New Solar Homes Partnership. (ERPA funding.) Contact: Nick Fugate. (10 minutes)

*Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 400-06-012. The vote was unanimous. (5-0)*

6. U. C. DAVIS INSTITUTE OF TRANSPORTATION STUDIES. Possible approval of Work Authorization MR-060 for \$3,000,000 over three years, with the University of California, Davis, Institute of Transportation Studies. This Work Authorization is under the UC Master Research Agreement Number 500-02-004 with the Regents of the University of California – Office of the President/CIEE, for a *Plug-In Hybrid Electric*

*Vehicle Research Center. (PIER electricity funded.) Contact: Philip Misemer. (10 minutes)*

*Commissioner Geesman moved and Commissioner Boyd seconded approval of Work Authorization MR-060. The vote was unanimous. (5-0)*

7. GAS TECHNOLOGY INSTITUTE (GTI). Possible approval of Amendment 1 to Contract 500-05-026 for an increase of \$736,690 and a time extension of one year with Gas Technology Institute. The Amendment will allow GTI to proceed to Phase II as provided in the original agreement. Phase II will develop information regarding the use of off-specification gases on indoor air quality, including environmental impacts, energy efficiency, safety, and performance. (PIER natural gas funding.) Contact: Marla Mueller. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Amendment 1 to Contract 500-05-026. The vote was unanimous. (5-0)*

8. PACIFIC GAS AND ELECTRIC COMPANY. Possible approval of Contract 500-06-023 with Pacific Gas and Electric Company for \$667,000 to conduct research related to energy-efficient gas cooling, water heating, and food service equipment. (PIER natural gas funding.) Contact: Bradley Meister. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-06-023. Commissioner Pfannenstiel recused herself. The vote was 4-0.*

9. PASTORIA ENERGY FACILITY EXPANSION PROJECT. (05-AFC-01). Consideration and possible adoption of the Presiding Member's Proposed Decision and Errata recommending certification of the Pastoria Energy Facility Expansion, a simple-cycle peaker unit adjacent to the existing Pastoria Energy Facility on the Tejon Ranch, south of Bakersfield, in southern Kern County. Contact: Susan Geffer. (20 minutes)

*Commissioner Boyd moved and Commissioner Geesman seconded approval of the Presiding Member's Proposed Decision and Errata as amended today. The vote was unanimous. (5-0)*

10. BULLARD ENERGY CENTER. (06-AFC-8)
  - a. Possible approval of the Executive Director's data adequacy recommendation for Bullard Energy Center, LLC's Application for Certification of the Bullard Energy Center. Contact: Mary Dyas.(10 minutes)
  - b. Possible committee assignment for the Bullard Energy Center.

*Commissioner Byron moved and Commissioner Geesman seconded approval of the Executive Director's determination that the application is data inadequate. The vote was unanimous. (5-0)*

11. COLUSA GENERATING STATION. (06-AFC-9)

- a. Possible approval of the Executive Director's data adequacy recommendation for E&L Westcoast, LLC's Application for Certification of the Colusa Generating Station. Contact: Jack Caswell. (10 minutes)

*Commissioner Geesman moved and Commissioner Byron seconded approval of the Executive Director's data adequacy recommendation. The vote was unanimous. (5-0)*

- b. Possible committee assignment for the Colusa Generating Station.

*Chairman Pfannenstiel appointed a committee of Commissioner Geesman (presiding member) and Commissioner Boyd (associate member). Commissioner Byron moved and Commissioner Rosenfeld seconded approval of the committee assignment. The vote was unanimous. (5-0)*

12. BOTTLE ROCK GEOTHERMAL POWER PLANT PROJECT. (79-AFC-4C). Possible approval of a petition to amend the Energy Commission's decision to allow the restart of operation, and the completion of 11 design changes at the Bottle Rock Geothermal Power Plant. Contact: Christopher Meyer. (15 minutes).

*Commissioner Geesman moved and Commissioner Byron seconded approval of the petition. The vote was unanimous. (5-0)*

13. AVENAL ENERGY POWER PLANT PROJECT. Determination of whether Federal Power Avenal, owner and operator of Avenal Energy Power Plant, has complied with the Energy Commission's August 16, 2006, Order 06-0816-03, to submit specified information by September 25, 2006. The Order specifies that failure to submit the identified information will terminate the Application for Certification. Contact: Bill Pfanner. (30 minutes)

*Commissioner Boyd moved and Commissioner Geesman seconded approval of a determination that Federal Power Avenal has not complied with the Energy Commission's order. The vote was unanimous. (5-0)*

14. MOSS LANDING POWER PROJECT (99-AFC-4C). Possible approval of a petition to transfer ownership and operational control from Duke Energy Moss Landing, LLC to LSP Moss Landing, LLC, and to change the project name from Duke Energy Moss Landing, LLC, to LSP Moss Landing, LLC. Contact: Donna Stone. (10 minutes)

*The item was removed from the agenda prior to the meeting.*

15. LOWER EMISSION SCHOOL BUS PROGRAM. Possible approval of agreements for purchase of 2006 model-year diesel school buses for school districts to replace the their existing pre-April 1977 school buses. The school districts will destroy one pre-April 1977 bus for each 2006 bus they receive under this agreement. Contact: Mike Trujillo.

(10 minutes)

- a. Oxnard Union High School District. Possible approval of Contract 600-06-004 for \$475,225 with Oxnard Union High School District for purchase of four 2006 model-year diesel school buses to replace the school district's existing pre-April 1977 school buses.

*Commissioner Boyd moved and Commissioner Byron seconded approval of Contract 600-06-004. The vote was unanimous. (5-0)*

- b. Marysville Joint Union School District. Possible approval of Contract 600-06-005 for \$237,616 with Marysville Joint Union School District for purchase of two 2006 model-year diesel school buses to replace the school district's existing pre-1977 school buses.

*Commissioner Boyd moved and Commissioner Byron seconded approval of Contract 600-06-005. The vote was unanimous. (5-0)*

- c. Muroc Joint Unified School District. Possible approval of Contract 600-06-006 for \$118,808 with Muroc Joint Unified School District for purchase of one 2006 model-year diesel school bus to replace the school district's existing pre-April 1977 school bus.

*Commissioner Boyd moved and Commissioner Byron seconded approval of Contract 600-06-006. The vote was unanimous. (5-0)*

16. TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY. Possible approval of eleven grant applications, totaling \$979,577, for Solicitation Cycle 06-01 of the Energy Innovations Small Grant Program. (PIER funded) Contact: Dave Michel. (10 minutes)

- a. 06-01-20, Nove Technologies Inc., Metamora, Michigan. *Development of High-Performance Magnesium Diboride-Based Superconductor/Metal Matrix Composite Components for Use in Superconducting Fault Current Limiters.* \$95,000.
- b. 06-01-40, William Pietrucha (Individual), Fair Oaks, California. *A Novel Non-Pyrolytic Tires to Syngas Process to Recover Renewable Fuels for Power Generation.* \$95,000.
- c. 06-01-39, Gaia Power Technologies, New York, New York. *Time Shifting of PV Generation Using Dispatchable Distributed Energy Storage.* \$76,731.
- d. 06-01-48, CSET-Iowa State University, Ames, Iowa. *Wheat Straw Utilization to Produce Syngas/Hydrogen Fuel for Power Generation.* \$95,000.

- e. 06-01-06, ASC Power Consulting, Santa Clara, California. *Electric Service Reliability Analysis Tool*. \$50,000.
- f. 06-01-12, Extreme Energetics, Livermore, California. *Solid-State Electro-Fluidic Solar Tracker*. \$95,000.
- g. 06-01-37, ALZETA Corp., Santa Clara, California. *Ultra-Low NOx Duct Burner for Small High Efficiency CCHP Systems*. \$94,880.
- h. 06-01-27, San Diego State University, San Diego, California. *Solar and Gas Powered Adsorption (Solid-Vapor) Heat Pump*. \$94,394.
- i. 06-01-49, Priyam Inc., Hayward, California. *Cost Reduction in Solar Cell Electricity by Using Plasma Immersion Ion Implantation Technology*. \$95,000.
- j. 06-01-56, Washington State University, Pullman, Washington. *Innovative Economic Design of High-Solids Digestion Systems for Renewable Energy Production*. \$93,595.
- k. 06-01-29, ITN Energy Systems Inc., Littleton, Colorado. *Development of an Ordered Thin-Film Palladium Alloy Membrane for Hydrogen Separation*. \$94,977.

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the grant applications. The vote was unanimous. (5-0)*

- 17. **SAN FRANCISCO ELECTRICITY RELIABILITY PROJECT. (04-AFC-1)**  
Consideration of two petitions granted by the Energy Commission at its November 29, 2006, Business Meeting. The Commission will consider whether to rescind or modify the final decision on the San Francisco Electric Reliability Project. Contact: Dick Ratliff.
  - a. *Petition for Reconsideration of Final Commission Decision* from Californians for Renewable Energy.
  - b. *Petition for Reconsideration of Final Commission Decision* from Robert Sarvey.

*Commissioner Geesman moved and Commissioner Boyd seconded a motion to reaffirm the Energy Commission's final decision on the project. The vote was unanimous. (5-0)*

# 18. **Minutes**

Approval of the November 29, 2006, Business Meeting Minutes.

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the November 29, 2006 minutes. The vote was 3-0. Commissioners Boyd and Geesman abstained.*

19. **Commission Committee Presentations/Discussion**

A discussion by the Commissioners regarding Committee Oversight matters may be held.

20. **Chief Counsel's Report** – Chief Counsel Bill Chamberlain gave the report and introduced new staff attorneys Deborah Dyer, Ken Celli and Michael Doughton.
21. **Executive Director's Report** – Executive Director B. B. Blevins gave the report, followed by a presentation by Chuck Mizutani.
22. **Legislative Director's Report** – Legislative Director Mike Smith gave the report and introduced new OGA staff member Steve Trumbly.
23. **Public Adviser's Report** - None

**Public Comment** – Dr. James Reede.

**Other Appearances:**

Mr. Gregory Wheatland, Ellison, Schneider & Harris, LLP  
Mr. Ronald Suess, Bottle Rock Power Corporation  
Mr. Steve Gilliland, Federal Power  
Ms. Melissa Whitten, City of Avenal  
Mr. Robert Sarvey, Intervenor (via telephone)  
Mr. Michael Boyd, Californians for Renewable Energy (via telephone)  
Ms. Jeanne Solé, City of San Francisco

The meeting was adjourned at 12:58 p.m.

Respectfully submitted,

HARRIET KALLEMEYN  
Secretariat